

# Arizona Child Care Stabilization Grant: Reporting FREQUENTLY ASKED QUESTIONS

## MONTHLY REPORTING

### What is required in the monthly reporting?

In each monthly reporting form, you will complete two sections:

- **Section 1 Previous Month Reporting:** Open/close status, planned closures, staffing, enrollment, and waitlist by age.
- **Section 2 Total Grant Expenditures:** Cumulative grant funds accrued and spent since the first payment of grant funds received (i.e., dating back to August 2021 or when the provider first received the grant).

Please review the [CCSG Reporting Guide](#) for more details.

*TIP: Report all months of accrued spending - not just the grant funds spent or received in the previous/reporting month.*

### What are the timelines for spending and reporting?

CCSG providers will receive their final grant award payment mid-June 2023. The following details the final timeline for the grant, as of May , 2023:

- April 2023 CCSG Report is due by May 31, 2023
- May 2023 Award Payment to be paid Week of May 22nd
- May 2023 CCSG Report is due by June 30, 2023
- June 2023 Award Payment to be paid Week of June 19th
- June 2023 CCSG Report is due by July 31, 2023
- Final CCSG Report is due by October 31, 2023
- ALL GRANT FUNDS MUST BE SPENT BY SEPTEMBER 30, 2023!
- Submit Final Report of total grant award when you have spent 100% of funds - no later than October 31, 2023!

### What do I need to gather before submitting my report?

You can view the report questions anytime in the CCSG Monthly Report Portal tab available at [des.az.gov/CCSG](https://des.az.gov/CCSG). This information is also included in the [CCSG Reporting Guide](#).

Providing receipts and documentation is not required when submitting your monthly report, but it is important that you keep detailed records of your spending of CCSG funds, including all receipts and documentation associated with spending the CCSG for accurate reporting and easy access if requested to provide verification for auditing purposes.

*TIP:* To keep a detailed record of your grant spending, including an expense report and proof of payment such as receipts, invoices, or bank statements, you can refer to [Attachment A: Cost Reporting Worksheet](#) in the Reporting Guide. You can also use this sheet as your expense report.

### What is meant by cumulative or total spending?

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Each month, providers must report the total grant award you have spent in the [monthly reporting portal](#), Section 2: Enter Total Grant Expenditures. This includes all CCSG funding accrued from the first award you received to the last. More details on this requirement are noted as Step 6 in [CCSG Reporting Guide](#).

### **How do I report my total grant expenditures?**

Every time you receive and spend a monthly grant payment, you need to report your **total grant award spending** in each monthly report, no matter how long you have been receiving the grant.

#### **Example:**

If you have received \$1,000 per month since August 2021, you now have a total of \$21,000 in CCSG funds through April 2023 (a total of 21 months). For the April 2023 report, you would report all of what you have spent of the \$21,000. For the May 2023 report, you would report all of what you have spent of the \$22,000 (a total of 22 months); in June 2023, \$23,000 (a total of 23 months). We also refer to this as reporting on your *cumulative* spending.

Total spending is to be reported for each category: Personnel, Rent/Mortgage/Utilities, Facilities Maintenance or Improvements, Goods and Services, PPE, Equipment and Supplies, and Mental Health Supports.

Total Grant Expenditures calculated on the report reflects your *cumulative (total) spending*.

### **Am I required to use the online tool for reporting? Can I submit a report from my Accountant?**

All CCSG providers are required to use the online CCSG Monthly Reporting Portal found on the website at [des.az.gov/ccsg](https://des.az.gov/ccsg) and here: [cognitofrms.com/AZCCA1/ccsgmonthlyreporting](https://cognitofrms.com/AZCCA1/ccsgmonthlyreporting).

Providing receipts and documentation is not required when submitting your monthly report, but it is important that you keep detailed records of your spending of CCSG funds, including all receipts and documentation associated with spending the CCSG for accurate reporting and easy access if requested to provide verification for auditing purposes.

While not required, we highly recommend using the [Attachment A: Cost Reporting Worksheet](#) found in the CCSG Reporting Guide, and under Resources on the [Child Care Stabilization Grant webpage](#), as it was designed to complete the reporting required in STEP 6 of the monthly reporting form.

### **If I am using the Cost Reporting Worksheet to keep track of expenses, do we need to submit the completed worksheet with the total grant dollars received and the expenditures in the various categories or do we just keep it for our records?**

Providing receipts and documentation is not required when submitting your monthly report, but it is important that you keep detailed records of your spending of CCSG funds, including all receipts and documentation associated with spending the CCSG for accurate reporting and

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easy access if requested to provide verification for auditing purposes.

### **What kind of records do I need to have for reporting expenses?**

We recommend keeping the following documentation:

- Detailed Expense Report - to itemize or list out each item you purchased using grant funds, like a receipt for your entire grant award. To keep a detailed record of your grant spending, including an expense report and proof of payment such as receipts, invoices, or bank statements, refer to [Attachment A: Cost Reporting Worksheet](#) in the Reporting Guide. You can also use this sheet as your expense report.
- Proof of Payment - to show detailed records of your spending including receipts, invoices, statements

*TIP: You can use [Attachment A: Cost Reporting Worksheet](#) in the Reporting Guide as your expense report.*

### **How do I know if I have submitted a report for every month?**

If you are receiving your CCSG award payment, you are up to date on your monthly reporting.

DES will hold (not pay) a provider's monthly grant award if the current monthly report is not received by the deadline.

Please note, if you are not current on your monthly reporting, you may submit *the most current month's report to come into compliance*.

*TIP: If you are late in reporting, you are not required to submit previous months reports.*

For example - if you missed sending in your March 2023 report by the April 30th deadline, you may submit your next report, due May 31, 2023, which will include all spending to date.

### **Can we view prior months that have been reported?**

Report responses are automatically sent by email upon submission of your monthly report through the CCSG Monthly Reporting Portal found on the website at [des.az.gov/ccsg](https://des.az.gov/ccsg) and here: [cognitoforms.com/AZCCA1/ccsgmonthlyreporting](https://cognitoforms.com/AZCCA1/ccsgmonthlyreporting).

If you are unable to locate the emails containing the responses, please contact [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov) and we can email you a copy of prior reports.

### **What if I make a mistake? Can I fix it?**

Since the grant reporting is cumulative (total spending since the very first grant payment), there is no need to go back and correct prior reports. On your next monthly report, and the final report, be sure to include ALL grant expenditures since your very first grant payment and continue this practice monthly.

*TIP: You are not required to resubmit previous months reports.*

For example - if you made an error in your March 2023 report (due April 30, 2023), you may

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submit your next report, due May 31, 2023, which will include all spending to date.

### **Does someone look at our monthly report, or only if it is audited?**

The monthly reports are reviewed by DES staff and DES' grant evaluation partners, as well as utilized in monthly reporting to the Federal Office of Child Care for DES accountability with the federal funds. Specifically:

- **DES Staff:** The review by DES staff focuses on: 1) following up with providers on closures or upcoming closures as needed to ensure grant payments are processed accurately and timely; 2) learning more about the child care network as it relates to waitlists, child enrollment, staff retention, and categories of grant spending; 3) identifying areas where the DES team may need to support providers to accurately report grant expenditures; and, 4) reporting data to the Federal Office of Child Care.
- **Grant Evaluation Partners:** The review by grant evaluation partners focuses on the impact of the CCSG on child care providers' ability to remain open, reduce waitlists, and retain staff.

### **I will be closing for the summer months, starting the end of May through the end of July. Will I receive a June payment?**

No, you will not receive a June CCSG award. It is a requirement of the grant to be open and provide child care services. Programs that have a closure longer than 14 days must report this prior to the closure by emailing DES at [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov). The grantee is then not qualified for the grant award for the month(s) of the closure.

*TIP: If you are a provider with more than one location, you must identify which of the locations will have the closure by emailing DES at [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov).*

### **If I am closed at the end of May and will not receive a June payment. Do I need to submit a June report?**

You are required to submit a report for any month you received the grant. So, if you received a CCSG award payment in May, you will submit your May report by June 30, 2023. If you are closed, and unable to submit the May CCSG report, you must submit when you reopen and return.

For any month you *do not receive* a CCSG award payment (for closures or another reason), you do not need to submit a report for that month.

Any unspent funds must be spent by September 30, 2023. Your final report is due October 31, 2023, and will include an accounting of how you spent ALL funding you have received for every month you received the CCSG award payments.

### **How do I show receipts for cash purchases made at a yard sale, or gift cards and referral gift cards for parents and other staff?**

It is recommended to only purchase items using CCSG funds that can be documented with a receipt, invoice, or statement. If you are unable to obtain such documentation, you must

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document this in the detailed expense report, noting that you do not have a receipt, invoice, or statement.

While providing physical receipts and documentation is not required when submitting your monthly report, it is important that you keep detailed records of your spending for accurate reporting and easy access if requested to provide verification for auditing purposes.

We recommend keeping the following documentation:

- Detailed Expense Report - to itemize or list out each item you purchased using grant funds, like a receipt for your entire grant award. We highly recommend using [Attachment A: Cost Reporting Worksheet](#) found in the Reporting Guide, and under resources on the [Child Care Stabilization Grant webpage](#), as it was designed to complete the reporting required in STEP 6 in the monthly reporting form.
- Proof of Payment - to show detailed records of your spending including receipts, invoices, or statements.

The detailed expense report and proof of payment documentation should clearly show:

- That you paid the expense.
- What you paid for, unless it is very clear (like a utility company payment.)
- The amount you paid.
- The date you paid it.
- A description of the item purchased or service received.

## COMMON REPORTING ERRORS - TIPS

### What are the most common reporting errors DES is seeing?

The most common error is around providers not reporting the cumulative (total) spending correctly. Instead, providers may be:

- 1) Reporting all of your business' expenses, not just how you have spent the grant. This results in showing more funds than you have been awarded.
- 2) Reporting only what you have spent in the month.
- 3) Answering "yes" to the question "Have you spent all of your grant funds?" but reporting less than what we have sent to you.

### Can we go back and add expenses we missed during other reporting periods?

Since the grant reporting is cumulative (total spending since the very first grant payment), there is *no need to go back and correct prior reports*. In your next report, be sure to include ALL grant expenditures since your very first grant payment and continue this practice monthly, and in the final report.

### How can I learn more about reporting correctly?

**DES Website:** First visit the DES website at [des.az.gov/ccsg](https://des.az.gov/ccsg) "Resources" tab where you will find:

- [Answers to Frequently Asked Questions \(FAQs\)](#)

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- [CCSG Workforce Amount FAQs](#)
- [Reporting Guide](#)
  - *Tip: Each step of the reporting process is broken out, beginning on page 4, including helpful hints below each question in bold and italics.*
- Recorded webinars

**Question Form:** If you have a specific question regarding your report or potential reporting error, please submit your question through this [Google Form](#).

**E-mail/Phone:** If you have any questions about your grant, please submit those by email at [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov).

### CCSG SPENDING

#### **When do the CCSG funds need to be spent?**

All funds must be spent by September 30, 2023. For support or ideas for how to spend your remaining grant dollars prior to the September 30th deadline, contact the Early Childhood Business Solutions team at Southwest Human Development by email at [ECBS@swhd.org](mailto:ECBS@swhd.org) or by phone (602) 265-4768, M-F, 8am-4:30pm.

#### **How do I verify that funds are being used correctly?**

Please review the [Reporting Guide](#) and FAQs available on the DES website at [des.az.gov/ccsg](https://des.az.gov/ccsg) under the "Resources" tab. If you have additional, specific questions, these may be addressed by emailing DES at [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov).

#### **Can I claim eligible expenses incurred from Jan 31, 2020 through Sept 30, 2023, as long as those expenses were not reimbursed to me under another grant program?**

Yes, under the authority granted in section 2202(e)(2) of the American Rescue Plan Act, CCSG providers may use these funds for the following purposes, including for reimbursement of these expenses incurred from January 31, 2020 through September 30, 2023, as described at [des.az.gov/ccsg](https://des.az.gov/ccsg):

- Personnel
- Rent/Mortgage/Utilities
- Facilities Maintenance or Improvements
- Goods and Services
- Personal Protective Equipment (PPE)
- Equipment and Supplies for Public Health Emergency
- Mental Health Supports

#### **Is it an issue if you have over/under spent in one category or another?**

The CCSG does not set specific spending limits for each allowable category, as detailed on the CCSG webpage at [des.az.gov/ccsg](https://des.az.gov/ccsg). The amount spent in each category is at the discretion of the grantee, based on their needs.

If you are a DHS Licensed Center of DHS Group Home and opted in to receive the CCSG



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Workforce Amount, this entire amount must be used to increase employee wages or benefits above and beyond the time period since first receiving the Child Care Stabilization Grant. Workforce Amount spending should be reported in the *Personnel Costs* category

Please see the Resources tab of the [CCSG website](#) for more information, including detailed FAQs for the [CCSG](#) and the [Workforce Amount](#).

### ALLOWABLE EXPENSES

#### **Can I still spend the grant on major expenses?**

Yes. Providers receive their last CCSG award payment in June 2023. You must fully spend all CCSG funds received by September 30, 2023. That means, if you have been saving up for a bigger expense such as a kitchen appliance, furniture, or equipment, you have through September 30, 2023 to spend all funds received.

#### **Can I use the grant on payroll, bonuses, pay raises, and sick pay exclusively?**

Yes. You may spend your CCSG award on only one of the six Allowable Expense categories. Please note, if you are a DHS Licensed Center or DHS Group Home and are also receiving the Workforce Amount, you must spend that entire amount on the Personnel category, and show that you have increased employee wages or benefits since receiving the Child Care Stabilization Grant. You can find more details on allowable expenses in the FAQs and Reporting Guide, under Resources on the [Child Care Stabilization Grant webpage](#).

#### **What percentage needs to be spent on wages or other staff expenses such as bonuses and benefits?**

There is no specific percentage set for providers receiving the regular CCSG award.

If you are a DHS Licensed Center or DHS Group Home and opted in to receive the CCSG Workforce Amount, this entire amount must be used to increase employee wages or benefits above and beyond the time period since first receiving the Child Care Stabilization Grant.

Allowable expenses in the Workforce Amount fall under the CCSG Personnel category which includes spending and increases to:

- Payroll/Wage supplements
- Bonuses
- Health, dental, and vision insurance
- Retirement contributions
- Paid time off including paid sick or family leave
- Free/reduced cost child care benefit for staff
- Paid time off for professional development and training
- Reimbursements for tuition costs for certificate or degree program
- Reimbursement/stipends for teacher out-of-pocket costs for classroom supplies

*TIP: The [CCSG Workforce Support Provider Decision Tool](#) provides several options for*

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*supporting staff using CCSG Workforce Amount funds.*

### **Can we use CCSG for an employee's entire pay if they were newly hired during the grant period, or received a pay raise during the grant period?**

Yes. You may spend your CCSG award on only one of the six Allowable Expense categories, and report "0" for the rest.

If you are a DHS Licensed Center or DHS Group Home and are also receiving the Workforce Amount, you must spend that entire amount on the Personnel category, and show that you have increased employee wages or benefits since receiving the Child Care Stabilization Grant. More details on allowable expenses can be found in the FAQs and Reporting Guide, under Resources on the [Child Care Stabilization Grant webpage](#).

As noted in the [CCSG Workforce Support Provider Decision Tool](#), you may want to keep in mind that your CCSG is a monthly payment through June 2023, and can be used on expenses through September 30, 2023. This timeline should factor into your decision making, especially when aiming to make repeated investments.

### **I am a Certified Family Home Provider and mostly used the grant on my mortgage and bills. Is that allowable?**

Yes. You may spend your CCSG award on only one of the six Allowable Expense categories, and report "0" for the rest. If you opted in to receive CCSG Workforce Amount, the requirements for these funds are specific to Personnel Costs as described below, and in the [CCSG Workforce Amount FAQs](#).

### **What qualifies as a utility bill?**

Rent/Mortgage/Utilities are described below, and you can find more details on allowable expenses in the FAQs and Reporting Guide, under Resources on the [Child Care Stabilization Grant webpage](#)

Rent/Mortgage/Utilities: Includes monthly rent or mortgage payments, property insurance, liability insurance, or utilities such as gas, electricity, oil, water/sewer, telephone, cell/mobile phone, or internet, which may include fees or charges related to late payment.

### **Can this grant be used to cover GED Classes?**

Yes. Both regular CCSG and CCSG Workforce Amount may be used on Personnel Costs, as described below, and in the [CCSG Workforce Amount FAQs](#).

Personnel Costs: Includes costs associated with employing staff such as payroll/wage supplements or bonuses. Other examples of allowable personnel costs include: health, dental, and vision insurance, retirement contributions, paid time off including sick or family leave, free/reduced cost child care benefit for staff, paid time off for professional development and training, *reimbursements for tuition costs for certificate or degree program*, and reimbursement/stipends for teacher out-of-pocket costs for classroom supplies.



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### FINAL REPORT

#### When is the final report due?

The final report of all accrued spending is due by October 31, 2023

*TIP: you can submit your final report sooner than October 31st if 100% of funds have been spent!*

#### How will final reporting differ from the monthly reports?

The final report requires the same information as the monthly report. The difference is in the timing and the amount of Total Grant Expenditures reported. The last payment to providers is in June 2023, and providers have until September 30, 2023 to spend the funds.-The June 2023 report contains reporting of grant funds spent through June 30, 2023, while the final report contains reporting on 100% of CCSG awarded to the provider, including any spending of CCSG between July 1, 2023 and September 30, 2023. The June 2023 report is due by July 31, 2023, and the final report is due by October 31, 2023. **Please submit the final report when all grant funds have been spent.** There is no need to wait until October.

The final CCSG report will capture all funds spent over the full grant term through September 30, 2023. You will still use the CCSG Monthly Reporting Portal found on the website at [des.az.gov/ccsg](https://des.az.gov/ccsg) and here: [cognitofrms.com/AZCCA1/ccsgmonthlyreporting](https://cognitofrms.com/AZCCA1/ccsgmonthlyreporting) by clicking on the box in Section 1 "Final Report."

#### Can the final report be generated from my QuickBooks financials/reports and finalized by my accountant to ensure complete accuracy?

All CCSG providers are required to submit the final report using the CCSG Monthly Reporting Portal found on the website at [des.az.gov/ccsg](https://des.az.gov/ccsg) and here: [cognitofrms.com/AZCCA1/ccsgmonthlyreporting](https://cognitofrms.com/AZCCA1/ccsgmonthlyreporting) by clicking on the box in Section 1 "Final Report."

While providing physical receipts and documentation is not required when submitting your monthly or final reports, it is important that you keep detailed records of your spending for accurate reporting and easy access if requested to provide verification for auditing purposes.

We recommend keeping the following documentation:

- Detailed Expense Report - to itemize or list out each item you purchased using grant funds, like a receipt for your entire grant award. We highly recommend using [Attachment A: Cost Reporting Worksheet](#) found in the Reporting Guide, and under resources on the [Child Care Stabilization Grant webpage](#), as it was designed to complete the reporting required in STEP 6 in the monthly reporting form.
- Proof of Payment - to show detailed records of your spending including receipts, invoices, or statements.

#### Does the final report allow for slight adjustments for the total months or do we total up

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### each monthly report for the final report?

Since the grant reporting is cumulative (total spending since the very first grant payment), there is **no need to go back and correct prior reports**. In your next monthly report and your final report, be sure to include ALL grant expenditures since your very first grant payment.

## END OF GRANT

### What happens after the last grant payment in June 2023?

- (1) **Fully spend** all of the grant funds you have received by September 30, 2023. This includes all of the CCSG funds accrued dating back to your first CCSG payment through your last payment in June.
- (2) Be prepared to submit your June 2023 report (your last monthly report!) after your June grant award - due July 31, 2023.
- (3) Be prepared to submit a **final CCSG report** by October 31, 2023. Submit your final report when 100% of grant funds have been spent - don't wait until October!

### Will there be additional grant funds after June 2023?

The Child Care Stabilization Grant ends effective September 30, 2023, with the expiration of the federal American Rescue Plan Act (ARPA) Act of 2021 Child Care Stabilization funds (PL 117-2).

Beginning July 2023, the **Arizona Child Care Assistance Provider (AZCAP) Grant** will be available for DES contracted or DES certified family child care providers, and can be used for Personnel Costs, Rent, Mortgage, or Utilities.

- The application will be open from July 1 through September 15, 2023.
- The grant will be a one time grant award payment to be paid in October 2023. Award amounts will be based on availability of funds and the number of applicants. Awardees will receive a final notice of award with the award amount in October.
- All funds must be spent by June 30, 2024.
- Updates will be made on the DES Child Care: [Grants and Scholarships](#) webpage as more information is available.

*TIP: If you are not currently a DES contracted or certified provider, you can learn more and apply to become one by visiting our DES Child Care: [Become a DES Child Care Provider](#) webpage.*

## CCSG MONITORING AND AUDIT

### Will you be conducting audits and how will that work? What paperwork do we need to be compliant?

Yes. As a recipient of the CCSG, you may be selected for grant monitoring over the next few months, beginning in May 2023. During CCSG Grant orientations and webinars, you were advised to maintain detailed records of your spending for use in the monitoring process, as

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outlined in the [Arizona Child Care Stabilization Grant Reporting Guide](#) (p 16). Detailed records can include, but are not limited to, receipts, invoices and statements.

CliftonLarsonAllen LLP (CLA) has been selected as the State approved contractor to conduct the CCSG monitoring. If you are selected for monitoring, CLA will reach out to you directly to request your records and verification of payments. Monitoring will start with requesting records and verification of payments for one quarter (3 months). If you are selected for monitoring, the specific quarter that will be reviewed, the timeline for submission, and contact information for the vendor, CLA, will be provided at that time.

### **If we are chosen for the audit, will it just be for one 3 month period of the entire grant time?**

Yes, it will only be for one total three (3) month period of time. The State approved contractor, CliftonLarsonAllen LLP (CLA), will be asking selected providers to provide your detailed expense report and proof of payment for a specific quarter (3 months).

### **What reports do we need to retain for auditing? Will we need to send in itemized reports?**

It is important that you keep detailed records of your spending for accurate reporting and easy access if requested to provide verification for auditing purposes.

We recommend keeping the following documentation:

- Detailed Expense Report - to itemize or list out each item you purchased using grant funds, like a receipt for your entire grant award. We highly recommend using [Attachment A: Cost Reporting Worksheet](#) found in the Reporting Guide, and under resources on the [Child Care Stabilization Grant webpage](#), as it was designed to complete the reporting required in STEP 6 in the monthly reporting form.
- Proof of Payment - to show detailed records of your spending including receipts, invoices, or statements.

If you are selected for monitoring, the State approved contractor, CliftonLarsonAllen LLP (CLA), will reach out to you directly to request your records and verification of payments. Monitoring will start with requesting records and verification of payments for one quarter (3 months).

### **What is the retention time for keeping the records we've input into the report?**

Providers must keep records of how you have spent CCSG funds for five (5) years. All receipts and documentation associated with the spending of this funding should be retained for your records and for auditing purposes.

### **How many years after receiving the grant could we potentially be audited and what documentation will be required in the event of an audit?**

Providers must keep records of how you have spent CCSG funds for five (5) years. All receipts and documentation associated with the spending of this funding should be retained for your records and for auditing purposes.

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**MISCELLANEOUS QUESTIONS**

**Is the grant funding tax free or do we have to declare it? How is it going to affect our taxes? How do we know how much money to hold back for taxes from each grant payment?**

Grant funds are taxable. In accordance with [guidance](#) from the federal Office of Child Care: *The ARP Act does not exempt the ARP child care stabilization subgrant funding from taxation. Therefore, this funding is subject to the same tax rules as regular CCDF funding.* If you have additional questions, please contact a tax professional.

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